

News Release



U.S. Department of Labor
Office of Public Affairs
Chicago, Ill.
Release No.: V-219

For Immediate Release:
Date: May 7, 2003
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Labor Department Restores 401(k) Assets of Minn. Participants

KANSAS CITY—The U. S. Department of Labor obtained a consent judgment and order on April 29, 2003, requiring British Landscapes, Ltd. of Roseville, Minn. and Charles M. Glossop, the company's 401(k) trustee, to restore \$3,850.51 to the plan and distribute the plan's assets to all eligible participants after terminating the plan.

The judgment also permanently bars the defendants from serving in positions of trust to any plan governed by the Employee Retirement Income Security Act (ERISA) in the future.

"This case underscores the Labor Department's commitment to hold accountable those who are entrusted with the assets of workers' retirement plans," said Gregory P. Egan, Director of the Kansas City Regional Office of the Employee Benefits Security Administration (EBSA).

On June 27, 2002, the department sued British Landscapes and Glossop for violating ERISA by failing to deposit all employee contributions owed to the plan from Jan. 28, 2000 to Sept. 15, 2000. The suit alleged that the defendants failed to remit to the plan \$14,298.78 in voluntary salary reduction contributions withheld from employees' wages. Glossop later forwarded \$11,019.48 to the plan's third party administrator as partial payment of the amounts due. The defendants also failed to obtain a fidelity bond as required by ERISA.

Employers with similar problems, who are not yet the subject of an investigation by EBSA, may be eligible to participate in the department's Voluntary Fiduciary Correction Program (VFCP). Participation in the VFCP requires employers to make workers whole but allows them to avoid EBSA enforcement actions, civil penalties and applicable excise taxes. For more information see www.dol.gov/ebsa.

The suit, filed in federal district court in Minneapolis, Minn., resulted from an investigation conducted by EBSA's Kansas City Regional Office. Employers and workers can contact the regional office at (816) 426-5131 or EBSA's toll free number, **1-866-444-3272**, for help with any problems relating to private-sector pension and health plans.

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(Chao v. British Landscapes, Ltd.)
Civil Action No. 02-1380-MJD/JGL